

No.: 96-54
Date: July 25, 1996

Federal Housing Finance Board

Approval of Maximum Incentive Compensation Program Awards for
Federal Home Loan Bank Presidents

WHEREAS, pursuant to Section 12 of the Federal Home Loan Bank Act (12 USC 1432), the Federal Housing Finance Board (Finance Board) approves the compensation for Federal Home Loan Bank (FHLBank) Presidents; and

WHEREAS, Finance Board Resolution No. 91-565 dated November 19, 1991, as amended, establishes a FHLBank Presidents' Compensation Plan (Plan) comprised of a base salary program and an incentive compensation program (ICP); and

WHEREAS, the Board of Directors adopted Finance Board Resolution No. 96-50 on July 3, 1996, which amended the ICP and provided that the maximum incentive amount payable would be determined by the Board of Directors at its next earliest opportunity.

NOW THEREFORE, BE IT RESOLVED, that following a review of comparable industry incentive practices and after full and complete deliberation, maximum incentive award payments may not exceed thirty-one and one-quarter percent (31.25%) of a FHLBank president's annual base salary for that year, and incentive award payments shall be based upon an "Achievement Level" from no less than 100 percent up to 150 percent, calculated in accordance with the ICP Payout Levels & Award "Scale, attached hereto and made a part of this resolution as Exhibit I; and

FURTHER RESOLVED, that no incentive compensation award may be paid to a FHLBank President, unless such award is made in accordance with the above.

By the Board of Directors of the
Federal Housing Finance Board



Bruce A. Morrison
Chairman

Attachment: Exhibit I

Exhibit I

ICP PAYOUT LEVELS & AWARD SCALE

PAYOUT LEVELS	
PERFORMANCE AS A % OF TARGET	TOTAL PAYOUT LEVEL
100% = Target 150% = Maximum	18.75% 31.25%

PERFORMANCE AS A % OF TARGET	PAYOUT LEVEL
150.0%	31.25%
149.0%	31.00%
148.0%	30.75%
147.0%	30.50%
146.0%	30.25%
145.0%	30.00%
144.0%	29.75%
143.0%	29.50%
142.0%	29.25%
141.0%	29.00%
140.0%	28.75%
139.0%	28.50%
138.0%	28.25%
137.0%	28.00%
136.0%	27.75%
135.0%	27.50%
134.0%	27.25%
133.0%	27.00%
132.0%	26.75%
131.0%	26.50%
130.0%	26.25%
129.0%	26.00%
128.0%	25.75%
127.0%	25.50%
126.0%	25.25%
125.0%	25.00%
124.0%	24.75%
123.0%	24.50%
122.0%	24.25%
121.0%	24.00%
120.0%	23.75%
119.0%	23.50%
118.0%	23.25%
117.0%	23.00%
116.0%	22.75%
115.0%	22.50%
114.0%	22.25%
113.0%	22.00%
112.0%	21.75%
111.0%	21.50%
110.0%	21.25%
109.0%	21.00%
108.0%	20.75%
107.0%	20.50%
106.0%	20.25%
105.0%	20.00%
104.0%	19.75%
103.0%	19.50%
102.0%	19.25%
101.0%	19.00%
100.0%	18.75%